

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2365 - SB 2221

March 11, 2009

SUMMARY OF BILL: Expands the definition of a premier type tourist resort as such definition applies to the licensing of facilities for on-premises consumption of alcoholic beverages. The expanded definition would authorize a commercially operated facility located in or adjacent to a residential real estate development containing between 1,000 and 2,000 acres with at least three permanent structures including one of at least 30,000 square feet, a golf course, a swimming pool, a tennis court and a fitness facility, to obtain an on-premises alcohol consumption license.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Not Significant

Increase State Expenditures – Not Significant

Increase Local Revenue – Not Significant

Increase Local Expenditures – Not Significant

Assumptions:

- No additional personnel or resources will be needed by the Alcoholic Beverage Commission.
- An initial license application fee of \$300 to the State.
- An annual licensing fee of \$2,000 to the State and a local privilege tax of \$1,500 to local governments.
- Any increase in local expenditures related to the administrative cost of collecting local privilege taxes associated with such licenses is estimated to be not significant.
- Upon licensing, the entity will be assessed state and local sales taxes on alcoholic beverage sales, 15% liquor-by-the-drink tax on each alcoholic beverage sold and any applicable county or city privilege tax.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized initial "J".

James W. White, Executive Director

/cce